

PATENT



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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Serial No.: 09/611,548 Confirmation No.: 6763
Applicant: Douglas G. Lowenstein, et al.
Title: FINANCING OF TENANT IMPROVEMENTS
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Art Unit: 3691
Examiner: N. Subramanian

Atty. Docket: 1906-003-Pole
Customer No. 68536

PRE-APPEAL BRIEF REQUEST FOR REVIEW

Mail Stop AF
Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Appellant requests review of the following clear errors in and omissions from the Office Action of October 3, 2008.¹

I. The Rejection under 35 U.S.C. 112, 2nd Paragraph is Improper

Claims 1-27, 31-52, 56-59 and 74-181 are rejected under 35 U.S.C. 112, 2nd paragraph as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. In particular, language regarding “wherein at least some portion of” a lease or leasing is performed with “assistance of a computer” is rejected.

Applicant submits that the language “wherein at least some portion of” a lease or leasing is performed with “assistance of a computer” is definite and well understood by those of skill in the art of working with computer technology. Those of skill in the computer art understand the terminology “assistance of a computer”. They understand how a computer or hardware and/or software can be of assistance. They understand how hardware and/or software is designed to assist a tenant. Just because language is broad, does not mean the language is indefinite. MPEP § 2173.04. Breadth of a claim is not to be confused with indefiniteness. *In re Miller*, 441 F.2d

¹ Applicant requested that the finality of the October 3, 2008 Office Action be withdrawn on the grounds that the October 3, 2008 Action is not really a second action on the merits. Additionally, new case law (the *In re Bilski* case) for the statutory subject matter issues makes it unfair to make the rejection final. Applicant also requested that the Restriction Requirement be withdrawn. Reference is made to Applicant’s arguments filed March 4, 2009.

689, 169 U.S.P.Q. 597 (CCPA 1971). The Office Action questions which portion of the lease is performed with assistance of a computer despite the fact that claim 180 explicitly recites “some portion of soliciting, originating, managing, or analyzing” the lease is performed with assistance of a computer. One of ordinary skill would understand that the portion of the lease or leasing may be soliciting, originating, managing, or analyzing the lease. One of ordinary skill would understand that the specific aspect of the lease or leasing that is performed with assistance of a computer may be soliciting, originating, managing, or analyzing the lease.

Further, the fact that a claim recites alternative language is not sufficient to hold the claim indefinite. MPEP § 2173.05(h)(II). Alternative expressions using “or” are acceptable and not in violation of 35 U.S.C. 112, 2nd paragraph. *In re Gaubert*, 524 F.2d 1222, 187 U.S.P.Q. 664 (CCPA 1975). Thus, the language “soliciting, originating, managing, or analyzing” is acceptable. Additionally, the language “hardware and/or software” is acceptable.

II. The Rejections under 35 U.S.C. 101 Should Be Withdrawn

Claims 1-27, 31-52, 56-59 and 74-181 are rejected under 35 U.S.C. 101 as directed to non-statutory subject matter. Claim 181 is rejected as inoperative and lacking utility and for being functional descriptive material. Claims 1 and 2 are rejected as not requiring any physical transformation and not producing a useful, concrete and tangible result. Claims 31, 56, 74, 93, 102, 119, 130, 133, 140, 148, 154, 158, 161, 172, 179, 180 and 181 and dependent claims are rejected as not producing a useful, concrete and tangible result. Claims 1, 2, 31, 56, 74, 93, 102, 119, 130, 133, 140, 148, 154, 158, 161, 172, 179-181 are rejected as an abstract idea and lacking transformation of any physical subject matter.

In applying Supreme Court precedent, the Federal Circuit in *In re Bilski*, 545 F.3d 943 (Fed. Cir. 2008), stated:

A claimed process is surely patent-eligible under § 101 if: (1) it is tied to a particular machine or apparatus, or (2) it transforms a particular article into a different state or thing. *Id.* at 10.

This is the one and only proper legal standard to be applied. There can be no meaningful reply.

Claim 181

With respect to the rejection of Claim 181 as directed to non-statutory subject matter as inoperative and lacking utility (and also as functional descriptive material), this rejection is a

mishmash of legal standards and is improper as a matter of law. The rejection confuses the issues of whether an invention as disclosed has utility and is operative with whether a claimed process is patent-eligible under § 101. The rejection fails to set forth any proper statement of law and should be withdrawn.

MPEP § 2107 sets for the test for utility. Utility is a property of the invention as disclosed, whereas the issue of whether a claimed process is patent-eligible under § 101 is based upon analysis of the claims. The test for utility is whether the disclosed invention is totally incapable of achieving a useful result. The Office Action does not apply the proper test and confuses the issue of utility with issues of functional descriptive matter and patentable subject matter.

Upon initial examination the examiner should review the specification to determine if there are any statements asserting that the claimed invention is useful for any particular purpose. A complete disclosure should include a statement which identifies a specific and substantial utility for the invention. MPEP §2107.02 II. “A statement of specific and substantial utility should fully and clearly explain why the applicant believes the invention is useful.” MPEP §2107.02 II. A. In most cases, an applicant’s assertion of utility creates a presumption of utility that will be sufficient to satisfy the utility requirement of 35 U.S.C. 101. MPEP §2107.02 III. A.

In re Langer, 503 F.2d 1380, 1391, 183 USPQ 288, 297 (CCPA 1974) and subsequent cases direct the Office to presume that a statement of utility made by an applicant is true. MPEP §2107.02 III. A.

Section 2107.02 IV. Of the MPEP is entitled: Initial Burden is on the Office to Establish a *Prima Facie* Case and Provide Evidentiary Support Thereof. The section states: “To properly reject a claimed invention under 35 U.S.C. 101, the Office must (A) make a *prima facie* showing that the claimed invention lacks utility, and (B) provide a sufficient evidentiary basis for factual assumptions relied upon in establishing the *prima facie* showing. (citing *In re Gaubert*, 524 F.2d 1222, 1224, 187 USPQ 664, 666 (CCPA 1975).

The analysis in the Office Action is totally unrelated to the test set forth in MPEP § 2107, and violates every provision stated as a “must” in the MPEP.

Applicant’s disclosure contains a statement of specific and substantial utility that fully and clearly explains why the applicant believes the invention is useful. Section V. of the

specification starting on page 17 is entitled “Use of the lease structure.” This section identifies specific and substantial utility, such as in paragraphs 71, 72, 74, 75, 78, 85, and 87.

The statements of utility are credible, and there is no evidence that one of ordinary skill in the art would question the truth of the statements of utility. The Office has failed to meet its burden of establishing a *prima facie* case of a lack of utility. Thus, any rejection on the grounds of lack of utility should be withdrawn.

The Office Action fails to consider the claim language. Claim 181 is directed to “a computer system” not a process.

Thus, the Office Action calls the invention recited in claim 181, software in disregard of the claim language which recites “A computer system, comprising: hardware and/or software designed to assist a tenant in entering an improvements lease....”

The rejection is a confused jumble of legal concepts and therefore, there can be no meaningful reply. The rejection should be withdrawn.

Claims 1 and 2, and Claims 31, 56, 74, 93, 102, 119, 130, 133, 140, 148, 154, 158, 161, 172, 179, 180 and 181 and the Useful, Concrete and Tangible Result Test

With respect to the rejections of Claims 1 and 2 as not requiring any physical transformation and not producing a useful, concrete and tangible result and Claims 31, 56, 74, 93, 102, 119, 130, 133, 140, 148, 154, 158, 161, 172, 179, 180 and 181 and dependent claims as not producing a useful, concrete and tangible result; these rejections should be withdrawn for not applying the proper legal standard. The Applicant should not have to appeal this issue, but rather the finality should have been withdrawn as a matter of policy, and the case should have been reconsidered under the proper legal standard.

The Federal Circuit in *In re Bilski*, 545 F.3d 943 (Fed. Cir. 2008), stated: “[W]e also conclude that the “useful, concrete and tangible result” inquiry is inadequate and reaffirm that the machine-or-transformation test outlined by the Supreme Court is the proper test to apply.” *Id.* at 20. The Office Action applies a legal standard expressly rejected in the *Bilski* case, and the rejections should be withdrawn.

Claims 1, 2, 31, 56, 74, 93, 102, 119, 130, 133, 140, 148, 154, 158, 161, 172, 179-181

With respect to the rejections of Claims 1, 2, 31, 56, 74, 93, 102, 119, 130, 133, 140, 148, 154, 158, 161, 172, 179-181 as an abstract idea and lacking transformation of any physical

subject matter. Many of these claims were also rejected under the “useful, concrete and tangible result” test, but the *Bilski* decision made it clear that there is one and only one standard under § 101 and employing multiple tests is an improper approach.

The Patent Office seems to be taking the position that business method claims are not patentable. This position is not consistent with the law. The Federal Circuit in *In re Bilski*, 545 F.3d 943 (Fed. Cir. 2008), stated: “We rejected just such an exclusion in State Street, noting that the so-called “business method exception” was unlawful and that business method claims (and indeed all process claims) are ‘subject to the same legal requirements for patentability as applied to any other process or method.’” *Id.* at 21 (citing *State Street Bank & Trust Co. v. Signature Fin. Group*, 149 F.3d 1368, 1375-76 (Fed. Cir. 1998)). The court stated: “[W]e decline to adopt a broad exclusion over software or any other category of subject matter beyond the exclusion of claims drawn to fundamental principles set forth by the Supreme Court.” *Id.* at n. 23. Thus, business method claims are patentable subject matter. The rejections of Applicant’s claims are improper.

The rejections under Section 101 are improper.

Conclusion

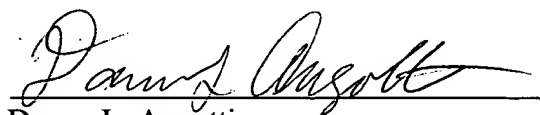
The rejections should be vacated. Any that remain standing should be remanded, with instructions that the Examiner’s position be fully articulated.

In the event that any additional extension of time is required, Applicant petitions for that extension of time required to make this reply timely. Kindly charge any additional fee, or credit any surplus, to Deposit Account No. 50-3219, Order No. 1906-003 .

Respectfully submitted,

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By:


Donna L. Angotti
Registration No. 32,679

LAW OFFICES OF DONNA ANGOTTI
140 Broadway, Suite 4600
New York, NY 10005
(212) 858-7515
(212) 858-7750 (FAX)